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SUBJECT: BRAZIL LAUNCHES ANOTHER PLAN FOR A SUSTAINABLE AMAZON

REF: A) BRASILIA 681, B) BRASILIA 229,

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- $\underline{\ }$ 11. (U) THIS CABLE IS SENSITIVE BUT UNCLASSIFIED AND NOT FOR INTERNET DISTRIBUTION.
- 12. (SBU) SUMMARY. On May 8, 2008, Brazil's President Luiz Inacio Lula da Silva unveiled a package of 16 measures called the Plan for a Sustainable Amazon (PAS). The plan is long on good intentions and hints of funding (possibly up to Real 1.0 billion or about US\$ 600 million over the next several years), but short on details and specific budget resources. Complicating matters, President Lula named Minister for Long-Term Planning Roberto Mangabeira Unger, to take over from the Environment Minister as the coordinator of the PAS program. This rebuff likely contributed to the departure of Environment Minister Marina Silva (REFTEL A). Subsequently, new Environment Minister Carlos Minc announced his own ideas for the Amazon: setting a goal of "zero deforestation" rate; creating an environmental national guard; and significantly increasing penalties for environmental crimes. Pressure on Brazil to take stronger action against deforestation will probably increase, as Minc recently warned, as a result of the predicted rise in the deforestation rate this year. Lula, Minc and Mangabeira Unger are faced with the challenge of converting good intentions into results. They face the daunting task of protecting the Amazon and at the same time building infrastructure and promoting economic development in this sensitive region. END SUMMARY

PAS - SUSTAINABLE AMAZON PLAN

- 13. (SBU) After five years of preparation and consultations with state and local officials, the Plan for a Sustainable Amazon (PAS) was unveiled on May 8. President Luiz Inacio Lula da Silva launched the PAS together with Long-Term Planning Minister Mangabeira Unger, erstwhile Environment Minister Marina Silva, other senior officials, governors, and representatives of civil society, private sector and academia.
- 14. (SBU) PAS consists of 16 measures and seeks to construct a new, sustainable development model for the 26 million residents in the Amazon region. In fact, however, the measures are broad goals and the details on how they are to be implemented have yet to be announced. Several of the measures deal with increasing the dialogue and coordination among the various levels of governments

and civil society, as well as across borders through Mercosul and the Amazon Cooperation Treaty Organization. One calls for reducing deforestation and conserving biodiversity; and another measure promotes reforestation of degraded lands. A key measure requires land title registration and zoning. A couple of measures provide for improving highways and river transport, expansion of ports and rural electrification. A critical measure calls for low-cost loans to farmers and ranchers for sustainable agriculture. (COMMENT. It is unclear how these loans will differ from those already being provided to the agriculture sector in the region through a variety of mechanisms, such as the Bank of the Amazon. END COMMENT.)

15. (SBU) PAS does not include any specific commitments of funding. At the rollout, however, then Environment Minister Silva announced that the PAS would receive Real